

DEADLOCK CONTINUES ON SHANTUNG ISSUE

Japan Insists on Long Time
Payments by Chinese
for Railway.

PEKIN OFFERS CASH

Tokio Presses New Loan
and Is Suggesting Am-
ple Security.

DELAY IS EMBARRASSING

Far East Committee Seeks
Disposal of Problem of
'21 Demands.'

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 17.

Japan and China have deadlocked
again over the settlement of the
Shantung controversy.

The latest obstacle is the manner in
which the Chinese Government is to
pay for the Japanese interest in the
Shantung road.

The controversy presents direct is-
sues. China desires to pay cash for
the road on the basis of a price of
\$3,000,000 gold marks. The cash pro-
posal is modified by the suggestion
that it be paid within three years.

Japan proposes that the payments
be extended over a period of twenty
years, virtually constituting a new
loan by Japan to China, which would
be forced upon China and thereby con-
tinuing her interest in the Shantung
railroad and in the province itself.

Japan Offers New Loan.

In addition to this, the Japanese are
suggesting that China accept a new loan
to tide her over her present difficulties,
and that ample security be given her for
the unsecured loans made during the
Anfu period, which, with other obliga-
tions incurred by China to Japan, ap-
proximate \$18,000,000.

The representatives of the two Gov-
ernments in their conversations to-day
"exchanged views" on this question, the
only hopeful sign in the situation being
that the Japanese seemed to recon-
sider their position. This reconsideration,
the Chinese believe, will amount to a
variation of the same offer.

The result is a tone of pessimism re-
lative to the Shantung controversy, which
is not brightened by the fact that both
delegations realize they are approaching
the real difficulty of their situation in
Manchuria. To-day represented the six-
teenth session in the series of Sino-
Japanese conversations.

In the meantime the Far Eastern com-
mittee is still adjourned pending some
method of disposing of the problem pre-
sented by the Chinese delegates, who
have thrust the agreements growing out
of Japan's "Twenty-one demands" upon
China into the conference.

There are evidences that the delay in
settling the Shantung conference is
bound up with this move made by China,
which is proving extremely embarrassing
to every one in the conference ex-
cept the Chinese.

Japan has gone on record as saying
she will not consent to discussion of
these agreements by conference, al-
though her delegates have intimated
they would be willing to explain why
Japan feels she cannot have them dis-
cussed.

The Liaotung Concessions.

This unwillingness to have the Sino-
Japanese agreements discussed hark
back to the Manchurian question be-
cause it was through this convention
that Japan procured her ninety-nine
year extension of her leaseholds in the
Liaotung Peninsula. She has already
stated she is unwilling to give up her
leaseholds in Dairen and Port Arthur.

The Chinese delegates are becoming
extremely restive under the situation
and are preparing to make frank
statements which will direct attention
to what they regard as a position by
Japan which is out of harmony with
the Japanese declaration of acceptance
in principle of the territorial integrity
of China. Such a course will present a
difficult problem both to Japan and the
rest of the Powers.

Japanese diplomacy is veering around
to a position where it can brow beat
the feeling of hostility among the Chi-
nese people so that her industrialists
may sell more goods in that country,
while the Powers are embarrassed by
their desire to maintain good relations
with Japan and at the same time reha-
bilitate China.

The time has passed when there is any
likelihood of the Chinese delegates with-
drawing from this conference. They
will go through to the finish, regardless
of whether they obtain as many things
as they desire or not.

But this can be said upon excellent
authority, that the Chinese will refuse to
agree to any contention or agreements
which leave the agreement growing out
of the twenty-one demands in force, or
any agreement which leaves Japan in
control, economically or politically, of
either Shantung or of the Liaotung
Peninsula.

They will file these exceptions to these
points if they are overruled, leaving the
question unsettled and as threatening as
before.

FRENCH SENATE PASSES
NEW ARMY CLASS BILL

War Minister Calls Attention
to Reparations.

PARIS, Dec. 17.—The bill calling up
class 1922 of the army came before the
Senate to-day. On December 6 it was
adopted by the Chamber of Deputies by
a vote of 495 to 68. The War Minister,
M. Barthou, in the course of the debate
to-day, said that the class of 1922 could
not be dismissed before the completion
of its two years' full service.

Earlier dismissals had been consid-
ered when it was thought that the
Serbian corps could be repatriated and the
Moroccan corps reduced, but the reports
of Gen. Gouraud and Gen. Lyautoy
showed that this would be impossible.
If the class of 1922 were dismissed in
March, 1923, and the class of 1923 in-
corporated in the following May, M. Bar-
thou pointed out, there would be an im-
portant hole in the effective forces for
one month.

"We must remember also," the Min-
ister continued, "that we face in Janu-
ary and February important dates of
reparation payment, for which we need
all our military forces."

The bill was voted without amendment.
The Speaker announced he had re-
ceived notice of an interpellation by
Deputy De Kerguelon on the programme
presented at the Washington conference
by the French delegation.

FRENCH NAVAL DEMANDS LOGICAL, DECLARES BORAH

In Line With British and Japanese, He Asserts, and
Seem to Show Four-Power Treaty Stimulates
Warship Building.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 17.

Senator Borah, one of the few op-
ponents in the Senate to the four Power
treaty, sees nothing "inconsistent" in
the demand of France that she be al-
lowed to build ten capital ships.

"The French position regarding the
5-5-2 naval ratio," said the Senator, "is
not inconsistent" with similar conces-
sions Great Britain and Japan have
wrung from the conference. A flood
of light is thrown on the view which
the four signatories to the four Power
treaty take of it by the fact that after
signing the treaty Japan still insists on
keeping the Mutsu and Great Britain
starts building two super-Hoodes and
France is demanding ten capital ships.

"Instead of the four Power treaty
having the tendency to make the signa-
tories less determined to have their
navies and less determined to continue
naval construction, it seems to me to
have had the opposite effect.

"Neither Great Britain, France nor
Japan appears to be at all willing to
place the least confidence in the four
Power treaty. This action since its
signing shows that it is clearly intended
as a military and naval alliance and

those Powers propose to be prepared
to protect their mutual interests in the
Pacific and Far East."

Taking issue with the Administra-
tion views that the Pacific compact
does not obligate any nation to fight
for another, Senator Borah insisted
that there is no reasonable doubt that
under the agreement the use of armed
force is "clearly implied."

"There can be no other implication,"
he said, "for interpretation of the lan-
guage providing that under certain cir-
cumstances the Powers 'shall communi-
cate with one another fully and frankly
in order to arrive at an understanding
as to the most efficient measures to be
taken, jointly or separately, to meet the
exigencies of the particular situation."

"It seems incredible to me that Great
Britain and France, lately engaged in a
struggle for their preservation, should
have any fear concerning their relation-
ship to each other in the future. They
were allies in the world war and in
addition to that they are both members
of what is known as the League of
Nations, associated together in an effort
to promote peace, as they contend that
organization will do, and besides all
that, they are now members of the
"Pacific Alliance."

French versions permit no question
as to the depth of the feeling of re-
sentment toward Great Britain, al-
though various explanations which do
not entirely harmonize are advanced to
account for it. One French opinion is
that the people of that country are
greatly chagrined because of the re-
fusal of the American Senate to ratify
the treaty of alliance involving Great
Britain, France and the United States
and designed to protect France from
possible German aggression. Another
is that the French people are grievously
disappointed because sentiment in
this country is not favorable for the
cancellation of the war debts.

American officials are doing every-
thing in their power to discourage dis-
cussion of the Anglo-French situa-
tion. Their greatest desire is to avoid
aggravation of it through any med-
dling or display of partisanship one
way or the other. They have counseled
American officials to maintain a posi-
tion of exact neutrality and this re-
quest is being generally respected.

It developed to-night that until
France projected her request into con-
sideration of naval affairs plans had

been practically completed for a
plenary session on Monday. The
American delegates would not venture
a guess to-night as to the date of the
next open session. They said "it de-
pends on developments during the
next forty-eight hours."

Shantung Negotiations.

Negotiations between China and
Japan over the Shantung controversy
ran up against a snag this afternoon
that the American and British dele-
gates are doing their best to remove.
The chief obstacle in the way of an
agreement over Shantung continues to
be the manner in which China is to
repay the money which Japan has in-
vested in the railway.

The Chinese delegates say they want
to pay in cash the \$5,000,000 gold
marks demanded by Japan and the
Japanese have refused to accept it.
They demand that China pay the
money it owes to Japanese interests on
other transactions. Here the mat-
ter stands for the present.

There is no question of the sincerity
of the Chinese offer to liquidate the
Japanese claim on the railway. There
is a great deal of question, however,
regarding the other debts, which are
estimated to amount to about \$80,-
000,000. An effort to get Japanese
consent to accept pledges for this vast
amount has not up to date succeeded.
The negotiations will continue on
Monday.

LORD RIDDELL TO SAIL
FOR ENGLAND DEC. 22

Picturesque Figure Will Leave
Arms Conference.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 17.

Exit Lord George Riddell; enter Sir
Auckland Geddes, in the role of liaison
officer between the British delegation
and the newspaper correspondents who
are reporting the Washington confer-
ence.

Detached from his original date for
sailing, December 13, at the request of
what he terms "the powers that be,"
Lord Riddell will leave America on De-
cember 22, sailing from New York on
the Royal Mail liner Orbita, thereby
removing from the scenes of the con-
ference one of its most picturesque figures.
As president of the Newspaper Pub-

Conference Doings

AFFAIRS took a turn for the
better with the development
that the French request for
ten capital ships was submitted for the
purpose of disturbing the general
outcome of the conference.

M. Sarraut at a meeting of the
naval subcommittee took up much
time of the meeting in protesting
against the manner in which the
French request was made public and
in presenting expert views on
France's naval needs.

In the Far East discussions
China and Japan reached another
deadlock on the question of the
manner of payments for the Kiao-
chow railroad, Japan's plan vir-
tually meaning another long time
loan to be taken by China.

conditions lying back of relations that
have existed between the French and
British over German matters for some
time, American officials are inclined
to estimate the French naval proposal
as "a passing phase of reprisals."

Resentment and Explanations.

French versions permit no question
as to the depth of the feeling of re-
sentment toward Great Britain, al-
though various explanations which do
not entirely harmonize are advanced to
account for it. One French opinion is
that the people of that country are
greatly chagrined because of the re-
fusal of the American Senate to ratify
the treaty of alliance involving Great
Britain, France and the United States
and designed to protect France from
possible German aggression. Another
is that the French people are grievously
disappointed because sentiment in
this country is not favorable for the
cancellation of the war debts.

American officials are doing every-
thing in their power to discourage dis-
cussion of the Anglo-French situa-
tion. Their greatest desire is to avoid
aggravation of it through any med-
dling or display of partisanship one
way or the other. They have counseled
American officials to maintain a posi-
tion of exact neutrality and this re-
quest is being generally respected.

It developed to-night that until
France projected her request into con-
sideration of naval affairs plans had

been practically completed for a
plenary session on Monday. The
American delegates would not venture
a guess to-night as to the date of the
next open session. They said "it de-
pends on developments during the
next forty-eight hours."

Shantung Negotiations.

Negotiations between China and
Japan over the Shantung controversy
ran up against a snag this afternoon
that the American and British dele-
gates are doing their best to remove.
The chief obstacle in the way of an
agreement over Shantung continues to
be the manner in which China is to
repay the money which Japan has in-
vested in the railway.

The Chinese delegates say they want
to pay in cash the \$5,000,000 gold
marks demanded by Japan and the
Japanese have refused to accept it.
They demand that China pay the
money it owes to Japanese interests on
other transactions. Here the mat-
ter stands for the present.

There is no question of the sincerity
of the Chinese offer to liquidate the
Japanese claim on the railway. There
is a great deal of question, however,
regarding the other debts, which are
estimated to amount to about \$80,-
000,000. An effort to get Japanese
consent to accept pledges for this vast
amount has not up to date succeeded.
The negotiations will continue on
Monday.

LORD RIDDELL TO SAIL
FOR ENGLAND DEC. 22

Picturesque Figure Will Leave
Arms Conference.

Special Dispatch to THE NEW YORK HERALD.

New York Herald Bureau,
Washington, D. C., Dec. 17.

Exit Lord George Riddell; enter Sir
Auckland Geddes, in the role of liaison
officer between the British delegation
and the newspaper correspondents who
are reporting the Washington confer-
ence.

Detached from his original date for
sailing, December 13, at the request of
what he terms "the powers that be,"
Lord Riddell will leave America on De-
cember 22, sailing from New York on
the Royal Mail liner Orbita, thereby
removing from the scenes of the con-
ference one of its most picturesque figures.
As president of the Newspaper Pub-

Established 1856

W. H. HALL

FURRIER

18 West 38th Street

NEAR FIFTH AVENUE

Holiday Sale of Fine

FURS

The Special Price Reductions

offered in this sale will appeal to Fur Buyers
seeking a tangible and timely opportunity
to practice REAL economy in the selection
of appropriate, serviceable and gratifying

CHRISTMAS GIFTS

Fur Coats, Wraps and Capes

Or specially selected pelts in distinctive and conservative
models, of Alaska Seal, Hudson Seal (Dyed Muskox), French
Seal (Dyed French Coney), Beaver, Caracul, Mink, Persian
Lamb, Natural Squirrel, Kolinsky Squirrel, Mole skin,
Ermine, Raccoon, Natural Muskrat, ranging in price

from \$150 to \$875

FURS BOUGHT NOW WILL BE HELD FOR LATER
DELIVERY UPON PAYMENT OF DEPOSIT

W. H. HALL, 18 West 38th St.

Telephone Fitz Roy 2707

Formerly 6th Ave. and 22nd St.

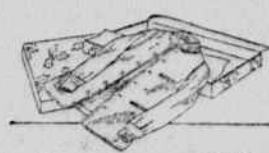
WINCHESTER GIFTS FOR MEN



HUNDREDS OF
GIFTS IN THE
Sportsman's
Store

The Outdoor Store is
overflowing with
thousands of gifts
for men and women.
Here are a few sug-
gestions:

CHESS SETS
POKER SETS
LEATHER WALLET
SMOKING SETS
POCKET KNIVES
FLASHLIGHTS
CARVING SETS
ICE SKATES
DUNHILL PIPES
TOYS and GAMES



Sport Coats 16.50

"Town and Country" Sport
Coat—wool or tweed body,
leather sleeves and lining,
16.50.



Fine Sweaters and
Mufflers

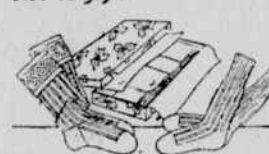
Brushed wools, angoras, al-
pacas, and shaker sweaters—
the world's best, 7.00 to 35.00.
Brushed wool mufflers, 1.25.
Imported camel's hair and
worsted mufflers, special 3.00.



Wool Vests, 5.75

Soft wool sport vests. Heath-
ers, grays, and tans in plains
and mixtures. A sensible gift.

Brushed wool and Scotch
knitted wool golf hose, 2.95
to 7.50. Wool half hose,
1.00 to 3.50.



WINCHESTER

"The Outdoor Store"

47 EAST 42nd ST., NEW YORK

"Guaranteed to be of Winchester Quality"



Mediterranean Sailing THE LAPLAND Feb. 4th

Because of the unusual demand for luxurious
steamship accommodations to Egypt, the Riviera and
other sunny lands of Southern Europe, a special
Mediterranean sailing of the Lapland has been
arranged for February 4th.

This distinguished Red Star steamer will augment
the sailings of White Star liners Adriatic (Jan. 7th
and Feb. 18th), and Arabic (Jan. 21st and March 8th)
on the de luxe winter service to Madeira, Gibraltar,
Algiers, Monaco, Genoa, Naples, Athens, Alexandria
for Egypt and the Nile.

The Lapland will return by way of Naples and Monaco,
to Southampton, affording an opportunity to reach England
and Northern Europe without the discomfort of cross-
European travel. Bookings to any port on this itinerary.

The popularity of the Lapland prevails especially among
experienced travelers, versed in the individual quality of
many ships, who, therefore, value her exceptional steadiness
and cozy comfort in glass enclosed promenade, veranda
cafe and large lounging rooms.

WHITE STAR LINE

AMERICAN LINE RED STAR LINE

INTERNATIONAL MERCANTILE MARINE COMPANY

9 Broadway, New York

Admirable Holiday Gifts

THE gift chosen from among the high-
grade Chas. W. Wolf Luggage
Pieces or Accessories is unrivalled in its
intimate appealing charm. Distinctive,
practical, constantly useful. Priced with
remarkable restraint.

- Smart model illustrative of our range of Men's fine Leather Luggage Cases with 14K Gold mountings...\$7.50 to \$45
- Women's Hand Bag chic new model in crease leather, 14K Gold mounting. One of our fascinating Leather Bags at...\$5 to \$59
- Women's French Beaded Hand Bag in lovely pastel tones, with Sterling Silver trim. Among our Beaded Bags at...\$10 to \$150
- Crease Leather Folding Traveling Clock, from our range in various fine leathers and smart colors...\$12 to \$60
- Women's Chiffon-Velvet Hand Bag, Sterling Silver frame. From our range of Chiffon-Velvet and Duvergne Bags...\$5 to \$75
- White Metal Pouch with cup attached. From our range of Alaska in White Metal, Sterling Silver, or Leather-covered...\$15.00 to \$40
- Men's Umbrellas: Silk, Gloria or Union Silk Covers; handles of natural wood. Sterling or 14K Gold-mounted...\$2 to \$50
- Women's Silk Umbrellas. All modish colors. Handles of Bakelite or Leather or Sterling Silver-mounted...\$7.50 to \$30

A thousand-and-one other Accessories as well as Luggage Pieces

Same-day delivery of purchases.

CHAS. W. WOLF

Established 1863
17 DEY ST. 22 CORTLANDT ST. 10 WALL ST.
55 BROADWAY New York 102 NASSAU ST.
225 BROADWAY 58 CORTLANDT ST.

